

**ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2003**

	October-03				September-03				Current Fiscal YTD	Prior Year FY03	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Market Value	Allocation Actual	Month Policy	Net ROR	Market Value	Allocation Actual	Quarter Policy	Net ROR	Net ROR	Net ROR	Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	57,280,822	4.5%	4.5%	5.17%	54,433,606	4.5%	4.5%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.48%	-20.46%	-5.64%
Total Structured Growth	57,280,822	4.5%	4.5%	5.17%	54,433,606	4.5%	4.5%	6.61%	12.13%	-1.48%	-20.46%	-5.64%
Russell 1000 Growth				5.62%				3.92%	9.75%	2.93%	-21.55%	-5.04%
<i>Structured Value</i>												
LSV	60,950,538	4.8%	4.5%	7.45%	56,852,843	4.7%	4.5%	3.33%	11.03%	-2.05%	9.06%	3.95%
Russell 1000 Value				6.12%				2.06%	8.31%	-1.02%	-2.19%	-0.17%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	58,146,928	4.6%	4.5%	5.64%	55,020,114	4.6%	4.5%	2.87%	8.68%	1.08%	N/A	N/A
Russell 1000				5.86%				3.00%	9.04%	0.96%	N/A	N/A
<i>Enhanced S&P 500 Index</i>												
Northern Trust	54,703,768	4.3%	4.5%	5.63%	51,778,887	4.3%	4.5%	2.50%	8.26%	0.28%	N/A	N/A
Strong	56,232,196	4.5%	4.5%	5.80%	53,231,843	4.4%	4.5%	2.89%	8.86%	3.30%	N/A	N/A
Westridge	59,744,273	4.7%	4.5%	5.69%	56,514,305	4.7%	4.5%	2.65%	8.49%	0.56%	N/A	N/A
Total Enhanced S&P 500 Index	170,680,237	13.5%	13.5%	5.71%	161,525,035	13.4%	13.5%	2.68%	8.54%	1.35%	N/A	N/A
S&P 500				5.66%				2.64%	8.45%	0.24%	N/A	N/A
<i>S&P 500 Index</i>												
State Street	38,768,409	3.1%	3.0%	5.65%	36,694,194	3.0%	3.0%	2.64%	8.44%	0.31%	-11.14%	-1.58%
S&P 500				5.66%				2.64%	8.45%	0.24%	-11.20%	-1.61%
TOTAL LARGE CAP DOMESTIC EQUITY	385,826,934	30.6%	30.0%	5.88%	364,525,793	30.3%	30.0%	3.02%	9.08%	0.49%	-9.68%	-2.32%
S&P 500				5.66%				2.64%	8.45%	0.24%	-11.20%	-1.61%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	137,984,908	11.0%	10.0%	8.81%	126,781,889	10.5%	10.0%	9.68%	19.34%	0.68%	N/A	N/A
Russell 2000 + 200bp				8.56%				9.60%	18.99%	0.37%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	137,984,908	11.0%	10.0%	8.81%	126,781,889	10.5%	10.0%	9.68%	19.34%	0.68%	-3.37%	-0.65%
Russell 2000				8.40%				9.07%	18.23%	-1.64%	-3.30%	0.97%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	53,009,222	4.2%	4.0%	6.10%	50,017,192	4.2%	4.0%	6.08%	12.55%	-9.96%	-13.28%	-4.72%
MSCI EAFE - 50% Hedged				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
<i>Large Cap - Active</i>												
Capital Guardian	129,788,858	10.3%	10.0%	6.64%	121,648,049	10.1%	10.0%	7.45%	14.58%	-11.30%	-14.96%	0.47%
Bank of Ireland	24,141,691	1.9%	2.0%	4.34%	23,146,777	1.9%	2.0%	2.64%	7.10%	-10.28%	N/A	N/A
Total Large Cap - Active	153,930,549	12.2%	12.0%	6.27%	144,794,826	12.0%	12.0%	6.65%	13.34%	-11.12%	-14.58%	0.74%
MSCI EAFE - 50% Hedged				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
<i>Small Cap - Active</i>												
Lazard	25,195,820	2.0%	2.0%	5.04%	26,522,836	2.2%	2.0%	10.66%	16.23%	-2.32%	N/A	N/A
Wellington	29,447,393	2.3%	2.0%	5.93%	27,825,562	2.3%	2.0%	17.22%	24.17%	5.97%	N/A	N/A
Total Small Cap - Active	54,643,213	4.3%	4.0%	5.49%	54,348,397	4.5%	4.0%	13.94%	20.20%	1.75%	N/A	N/A
Citigroup Broad Market Index < \$2BN				6.90%				15.95%	23.96%	3.91%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	261,582,984	20.8%	20.0%	6.07%	249,160,415	20.7%	20.0%	8.04%	14.59%	-8.22%	-12.63%	-0.99%
MSCI EAFE - 50% Hedged				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
EMERGING MARKETS EQUITY												
Capital Guardian	74,407,679	5.9%	5.0%	7.31%	69,341,678	5.8%	5.0%	14.62%	23.00%	7.15%	-10.61%	1.62%
MSCI Emerging Markets Free				8.51%				14.23%	23.95%	6.96%	-7.07%	2.49%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	9,773,464	0.8%	0.9%	-0.42%	9,813,527	0.8%	0.9%	-0.47%	-0.89%	13.42%	11.88%	8.58%
Lehman Aggregate				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
<i>Active Duration</i>												
WestAM (Criterion)	9,600,906	0.8%	0.9%	-0.96%	9,699,747	0.8%	0.9%	-0.40%	-1.35%	9.93%	9.39%	6.85%
Lehman Aggregate				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
<i>Index</i>												
Bank of ND	15,383,294	1.2%	1.1%	-1.29%	15,583,901	1.3%	1.0%	-0.73%	-2.02%	12.59%	11.06%	7.79%
Bank of ND Match Loan CD Program	8,705,860	0.7%	0.7%	0.48%	8,664,626	0.7%	0.7%	1.43%	1.91%	5.83%	5.84%	5.85%
Total Index	24,089,154	1.9%	1.8%	-0.90%	24,248,527	2.0%	1.8%	-0.21%	-1.11%	10.77%	10.08%	7.44%
Lehman Gov/Credit				-1.27%				-0.50%	-1.76%	13.15%	10.82%	7.83%

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	October-03				September-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Month	Net ROR	Market Value	Allocation	Quarter	Net ROR	Fiscal YTD	FY03	Ended	Ended
		Actual	Policy			Actual	Policy		Net ROR	Net ROR	6/30/2003	6/30/2003
											Net	Net
Convertibles												
TCW	10,388,990	0.8%	0.9%	4.10%	9,984,713	0.8%	0.9%	1.84%	6.02%	10.37%	-9.08%	N/A
<i>First Boston Convertible Index</i>				3.27%				2.67%	6.03%	15.35%	-3.81%	N/A
BBB Average Quality												
Strong	9,811,030	0.8%	0.9%	-0.96%	9,899,987	0.8%	0.9%	0.16%	-0.80%	14.81%	10.35%	N/A
<i>Lehman BBB</i>				-0.91%				0.27%	-0.64%	18.33%	9.91%	N/A
Timberland												
Evergreen (Wachovia)	19,433,919	1.5%	1.5%	6.22%	18,287,910	1.5%	1.5%	-0.15%	6.06%	12.50%	N/A	N/A
											N/A	N/A
TOTAL DOMESTIC FIXED INCOME	83,097,463	6.6%	7.0%	1.46%	81,934,410	6.8%	7.0%	0.11%	1.57%	11.62%	6.95%	6.77%
<i>Lehman Aggregate</i>				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
HIGH YIELD BONDS												
Western Asset	81,672,939	6.5%	7.0%	1.82%	80,212,870	6.7%	7.0%	1.99%	3.84%	20.04%	2.51%	4.15%
<i>Lehman High Yield Bond Index</i>				2.02%				2.77%	4.85%	22.77%	5.44%	2.66%
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	28,286,172	2.2%	2.5%	-0.25%	28,349,039	2.4%	2.5%	3.18%	2.92%	18.20%	8.47%	5.93%
<i>Citigroup Non-US Gov't Bond Index (1)</i>				-0.23%				2.75%	2.51%	17.91%	8.10%	6.29%
International Core												
Brandywine	27,683,207	2.2%	2.5%	-0.26%	27,744,819	2.3%	2.5%	1.51%	1.24%	N/A	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				-0.28%				2.76%	2.47%	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	55,969,380	4.4%	5.0%	-0.25%	56,093,858	4.7%	5.0%	2.34%	2.08%	17.83%	8.36%	5.86%
<i>Citigroup Non-US Gov't Bond Index (1)</i>				-0.23%				2.75%	2.51%	17.91%	8.10%	6.29%
REAL ESTATE												
JMB	26,405			0.00%	26,405			-8.75%	-8.75%	-18.62%	-5.76%	0.42%
INVESCO	66,055,606			0.67%	59,194,948			0.37%	1.04%	8.15%	8.00%	7.69%
J.P. Morgan	49,864,145			1.05%	49,346,053			2.43%	3.50%	7.80%	7.36%	10.23%
TOTAL REAL ESTATE	115,946,156	9.2%	9.0%	0.86%	108,567,406	9.0%	9.0%	1.36%	2.23%	7.97%	7.69%	9.00%
<i>NCREIF TOTAL INDEX</i>				0.65%				1.97%	2.64%	7.64%	8.51%	10.16%
ALTERNATIVE INVESTMENTS												
Brinson IVCF III	902,719			0.00%	902,791			13.02%	13.02%	-16.94%	3.23%	52.67%
Coral Partners V	10,209,274			0.00%	10,226,565			-6.88%	-6.88%	-22.52%	-20.83%	-9.87%
Coral Partners V - Supplemental	531,113			0.00%	532,012			-15.67%	-15.67%	-28.36%	N/A	N/A
Coral Partners VI	1,661,788			0.00%	1,664,603			-12.18%	-12.18%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	1,731,516			0.00%	1,866,448			4.07%	4.07%	-14.73%	-11.35%	1.31%
Brinson 1999 Partnership Fund	2,301,954			0.00%	2,305,853			0.98%	0.98%	-16.31%	-14.42%	N/A
Brinson 2000 Partnership Fund	4,017,602			0.00%	3,707,426			0.67%	0.67%	-13.99%	-9.08%	N/A
Brinson 2001 Partnership Fund	1,273,824			0.00%	1,275,982			0.43%	0.43%	-5.98%	N/A	N/A
Brinson 2002 Partnership Fund	861,971			0.00%	863,431			12.21%	12.21%	9.08%	N/A	N/A
Brinson 2003 Partnership Fund	83,445			0.00%	83,586			-3.58%	-3.58%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,260,489			0.00%	1,262,624			6.32%	6.32%	13.12%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	1,551,020			0.00%	1,553,647			2.82%	2.82%	9.50%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	847,017			0.00%	848,452			7.50%	7.50%	-0.41%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	1,171,922			0.00%	1,173,907			3.71%	3.71%	5.34%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	76,226			0.00%	76,355			-0.05%	-0.05%	N/A	N/A	N/A
Brinson BVCF IV	6,152,018			0.00%	6,162,420			-1.02%	-1.02%	-14.64%	-18.80%	N/A
Matlin Patterson Global Opportunities	13,135,185			0.00%	12,527,940			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	1,757,726			0.00%	1,760,703			0.00%	0.00%	-12.50%	N/A	N/A
Hearthstone MSII	2,740,755			0.00%	2,379,785			5.06%	5.06%	28.98%	13.57%	N/A
Hearthstone MSIII	2,186,715			0.00%	297,332			N/A	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	54,454,279	4.3%	5.0%	0.00%	51,471,862	4.3%	5.0%	-0.68%	-0.68%	-9.74%	-10.93%	4.40%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	8,958,828	0.7%	2.0%	0.13%	15,341,860	1.3%	2.0%	0.35%	0.48%	1.84%	3.33%	4.22%
<i>90 Day T-Bill</i>				0.08%				0.25%	0.32%	1.52%	3.33%	4.07%
TOTAL FUND	1,259,901,549	100.0%	100.0%	4.68%	1,203,432,040	100.0%	100.0%	4.70%	9.60%	2.28%	-4.66%	1.45%
POLICY TARGET BENCHMARK				4.23%				4.21%	8.61%	1.63%	-6.15%	0.99%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.